

# Surf City...

# ...Catch the Wave



## TO BETTER HEALTH Your Benefits 2011

**Medical Open Enrollment Period: TBD (November 2010)**

**Dental and Vision Open Enrollment Period: October 4 to November 5, 2010**

**HBFA**

**If you (and/or your dependent) have Medicare or will become eligible for Medicare in the next 12 months, a Federal law gives you more choices about your prescription drug coverage. Please see pages 16-17 for details.**

## SUMMARY

The information in this brochure is a general outline of the benefits offered under the City of Huntington Beach's benefits program. Specific details and plan limitations are provided in the Evidence of Coverage (EOC), which is based on the official Plan Documents that may include policies, contracts and plan procedures.

The EOC and Plan Documents contain all the specific provisions of the plans. In the event that information in this brochure differs from the Plan Documents, the Plan Documents will prevail.

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## **INTRODUCTION**

The City of Huntington Beach takes pride in offering a Benefit Program that provides flexibility for the diverse and changing needs of our employees. The City offers employees and their family members a full range of benefits including:

- Medical HMO Plans
- Medical PPO Plans
- Dental HMO Plan
- Dental PPO Plan
- Vision Plan
- Basic Life and AD&D Plan
- Long-Term Disability Plan
- Supplemental Life and AD&D Plan
- Flexible Spending Account (FSA)
- Employee Assistance Program (EAP)

The City's Blue Shield and Kaiser medical plans will be offered through CalPERS.

The Human Resources Department has taken many steps in providing easy access to health and benefit plan information. Please visit the City's intranet site, SurfNet, to view the Employee Benefits link in the Human Resources section or visit the City's internet site at [www.surfcity-hb.org/employee\\_benefits](http://www.surfcity-hb.org/employee_benefits). Here you will find access to plan information, forms, contact information and more. Human Resources will continue to update SurfNet with employee benefit information, so check back often!

If you have any questions, please do not hesitate to call our Employee Benefits Team:

Barbara Pratt, Personnel Assistant, (714) 375-8456

Jaymie Liu, Human Resources Analyst, (714) 536-5213 or

Brigitte Charles, Principal Human Resources Analyst, (714) 536-5917

Sincerely,

*Michele S. Carr*

*Director of Human Resources*

## WHAT YOU NEED TO KNOW

Human Resources would like to take this opportunity to give you important information about the benefits being offered by the City of Huntington Beach for the 2011 calendar year. It is important that you use the following information to educate yourself about the open enrollment process, timeline and changes.

### ***What can I do at this year's Open Enrollment?***

City of Huntington Beach benefit-eligible employees can:

- Enroll/make changes to **Medical, Dental, Vision, Voluntary Life (with evidence of insurability) and Accidental Death & Dismemberment (AD&D) Plans**
- Add or delete dependents in the City's Medical, Dental, Vision, Voluntary Life and AD&D plans
- Switch to a different Medical or Dental plan
- Participate in and determine the amount for flexible spending accounts
- Change your life insurance beneficiary

### ***What do I have to do if I am NOT making changes?***

- Even if you are not making any changes, you need to indicate "no changes" on your benefits summary for 2011 (Benefits at a glance) and verify the accuracy of personal data, especially SSNs for dependents. Also, if you are interested in establishing a 2011 flexible spending account, you must enroll/re-enroll.

### ***How do I participate in Open Enrollment?***

- Submit all changes via a **hard copy of your benefits summary to Human Resources**. Your benefit elections will be effective January 1, 2011. You can obtain Flexible Spending Account, Supplemental Life and AD&D Insurance forms and beneficiary designations through SurfNet or at [www.surfcity-hb.org/employee\\_benefits](http://www.surfcity-hb.org/employee_benefits). **All changes must be received by Human Resources no later than 5:00 p.m. on Friday, November 5, 2010.**
- For enrollment in CalPERS medical plans, you must submit CalPERS election forms directly to Human Resources/ Employee Benefits. Forms are available on SurfNet. Note: The open enrollment for CalPERS will be held in November 2010 (specific dates TBD).

### ***What if I have questions or need assistance?***

- Call or e-mail:  
Barbara Pratt at (714) 375-8456, [bpratt@surfcity-hb.org](mailto:bpratt@surfcity-hb.org)  
Jaymie Liu at (714) 536-5213, [jaymie.liu@surfcity-hb.org](mailto:jaymie.liu@surfcity-hb.org)  
Brigitte Charles at (714) 536-5917, [bcharles@surfcity-hb.org](mailto:bcharles@surfcity-hb.org)

Note: Employee benefits staff are available for enrollment assistance.

## WHAT YOU NEED TO KNOW (Con't)

### *What if I want to make changes throughout the year?*

- You can only make changes outside of Open Enrollment if you have a Qualifying Event.  
To add dependents you have **31 days** from the Qualifying Event to submit an "Add Dependent" form to Human Resources. The Qualifying Event could be marriage, birth, adoption, a dependent becoming eligible, spouse losing coverage, etc.
- You are required to submit a "Delete Dependent" form to Human Resources within 60 days of a dependent becoming ineligible such as divorce, an overage dependent no longer eligible, etc. **Failure to do so can jeopardize your COBRA rights.**
- The above-mentioned forms are available on SurfNet/Human Resources/Employee Benefits and on the Lower Level of City Hall on the Employee Benefits Information Wall Display.

## WHAT WILL HAPPEN ON JANUARY 1, 2011

### *What will be the same on January 1, 2011?*

- **With the exception of medical plans as HBFA has changed to CalPERS for medical coverage beginning with the 2011 Plan Year**, benefit carriers for all plans will remain the same.
- The maximum age for dependents (non-students) on the dental and vision plans will remain at age 25. Note: The maximum age for dependents on the medical plans will be extended up to age 26 due to health care reform (see page 13 for additional information).

### *What will change on January 1, 2011?*

- Refer to the Open Enrollment Newsletter in your CalPERS Open Enrollment packet for additional information on the CalPERS health plans.
- Employee contributions will change.
- Rate sheets will be posted on SurfNet/Human Resources/Employee Benefits/2011 Health Premiums and Contributions.

### **The following changes will occur as part of the Health Care Reform effective January 1, 2011:**

- Extend dependent eligibility to age 26 for medical plan coverage only regardless of student or marital status. This does not extend to spouses or children of such dependents. See page 13 for more details.
- Over-the-counter (OTC) drugs will no longer be reimbursable under Flexible Spending Accounts unless they are prescribed by a doctor or the drug is insulin.
- Elimination of lifetime limits and restrictive annual limits on the dollar amount of essential health benefits.
- Elimination of pre-existing conditions for children under 19.

## ELIGIBILITY

You are eligible for the *City of Huntington Beach's Medical Program* if you are a permanent employee working 20 or more hours per week. Your effective date is the first day of the month following your date of hire.

After your initial benefit enrollment, you cannot make changes in your elections or terminate coverage until the next Open Enrollment period, unless you qualify for a "special enrollment". Please refer to the "Rules For Benefit Changes During The Year" section on the next page for special enrollment qualifications. To terminate coverage, you must contact Human Resources/Employee Benefits.

### Dependent Eligibility

- Your legal spouse
- Your registered domestic partner
- Your natural children, stepchildren, and/or adopted children of which the employee is the legal guardian, legally placed with the employee or eligible domestic partner for adoption, or supported pursuant to a court order imposed on the employee or eligible domestic partner (including a qualified medical child support order). In addition:
  - ⇒ For Medical insurance: Dependents are eligible up to age 26 (see page 13 for additional information)
  - ⇒ For Dental/Vision Insurance: Unmarried dependents are eligible up to age 25.
- Your eligible physically or mentally handicapped children who depend on you for support, regardless of age.

Your dependent's effective date is on the latest of 1) your effective date, or 2) the first of the month following the date you acquire your dependent.

### Adding and Excluding Dependents

Newly acquired dependents may be added to the plan during the year by completing the necessary forms within **31 days** of their eligibility. If you do not add dependents within the 31-day period and do not qualify for a "special enrollment" (see the next page), they will not be eligible to enroll until the next Open Enrollment period.

## ***RULES FOR BENEFIT CHANGES DURING THE YEAR***

Other than during annual open enrollment, you may only make changes to your benefit elections if you experience a qualified status change or qualify for a "special enrollment". If you qualify for a mid-year benefit change, you may be required to submit proof of the change or evidence of prior coverage.

### **Qualified Status Changes include:**

- **Change in legal marital status**, including marriage, divorce, legal separation, annulment, and death of a spouse.
- **Change in number of dependents**, including birth, adoption, placement for adoption, or death of a dependent child.
- **Change in employment status that affects benefit eligibility**, including the start or termination of employment by you, your spouse, or your dependent child.
- **Change in work schedule**, including an increase or decrease in hours of employment by you, your spouse, or your dependent child, including a switch between part-time and full-time employment that affects eligibility for benefits.
- **Change in a child's dependent status**, either newly satisfying the requirements for dependent child status or ceasing to satisfy them.
- **Change in place of residence or worksite**, including a change that affects the accessibility of network providers.
- **Change in your health coverage or your spouse's coverage** attributable to your spouse's employment.
- **Change in an individual's eligibility for Medicare or Medicaid.**
- **A court order** resulting from a divorce, legal separation, annulment, or change in legal custody (including a Qualified Medical Child Support Order) requiring coverage for your child.
- **An event that is a "special enrollment" under the Health Insurance Portability and Accountability Act (HIPAA)** including acquisition of a new dependent by marriage, birth or adoption, or loss of coverage under another health insurance plan.
- **An event that is allowed under the Children's Health Insurance Program (CHIP) Reauthorization Act.** Under provisions of the Act, employees have 60 days after the following events to request enrollment if:
  - Employee or dependent loses eligibility for Medicaid (known as Medi-Cal in CA) or CHIP (known as Healthy Families in CA).
  - Employee or dependent becomes eligible to participate in a premium assistance program under Medicaid or CHIP.

### **Two rules apply when making changes to your benefits during the year:**

- Any change you make must be consistent with the change in status, AND
- You must make the change within 31 days of the date the event occurs (unless otherwise noted above).




## MEDICAL PROGRAM BENEFITS

The *City of Huntington Beach's* goal is to provide you with affordable, quality health care benefits. Our medical benefits are designed to help maintain wellness and protect you and your family from major financial hardship in the event of illness or injury. The City of Huntington Beach offers a choice of medical plans through CalPERS.

- **HMO (Health Maintenance Organization)** - The HMO plans offer comprehensive coverage. Care is provided or coordinated through each member's Primary Care Physician (PCP). **You have a choice between the Blue Shield HMO, Blue Shield NetValue and the Kaiser plan.**
- **PPO (Preferred Provider Organization)** - The PPO plan is designed to provide choice--two levels of service, flexibility and value. Participants have a choice of using Preferred Providers (PPO provider) or going directly to any other physician (non-PPO provider) without a referral. Generally, there are annual deductibles to meet before benefits apply. You are also responsible for a certain percentage of the charges (co-insurance), and the plan pays the balance up to the agreed upon amount. **You have an option between the PERSCare, PERS Choice, PERS Select, and PORAC plans.**
- **Medical Opt-Out Benefit** - Employees who are covered by another group medical program outside of a City sponsored plan or are covered as a dependent under a spouse's or domestic partner's plan through the City and elect to opt out of the medical coverage will receive a cash benefit. See SurfNet for the 2011 rate sheets. **Note: This benefit is included as taxable income.** Proof of outside coverage is required and must be on file in the Human Resources Office.

## MEDICAL PLAN FEATURES


	HMO OPTIONS	
	SCHEDULE OF BENEFITS	
	PERS BLUE SHIELD HMO & NET VALUE HMO*	PERS KAISER HMO
PLAN BENEFITS		
OFFICE VISITS	\$15 Copay	\$15 Copay
PRESCRIPTION DRUG (must use a participating pharmacy)	(not to exceed 30-day supply) \$5 Generic \$15 Brand \$45 Non-Formulary (\$40 if waiver approved)	(not to exceed 30-day supply) \$5 Generic \$15 Brand
PRESCRIPTION DRUG - MAIL ORDER**	(not to exceed 90-day supply)** \$10 Generic / \$25 Brand \$75 Non-Formulary (\$70 if waiver approved)	(up to 30-day supply) \$5 Generic / \$15 Brand (31-100 day supply) \$10 Generic / \$30 Brand
EMERGENCY SERVICES	\$50 Copay (waived if admitted as an inpatient or for observation as an outpatient)	\$50 Copay (waived if admitted as an inpatient or for observation as an outpatient)
DEDUCTIBLE	None	None
LIFETIME MAXIMUM	Unlimited	Unlimited
ROUTINE PHYSICAL EXAMS	No Charge	No Charge
CHIROPRACTIC	Not Covered (alternative care discounts 25% or more)	Not Covered (discounts available up to 25% off)
VISION EXAM	No Charge	No Charge
HOSPITAL SERVICES Inpatient Outpatient	No Charge No Charge (exceptions may apply)	No Charge \$15/Visit
OUTPATIENT LAB & X-RAY	No Charge	No Charge
SUBSTANCE ABUSE PROGRAM Inpatient Outpatient	No Charge \$15 Copay	No Charge \$15 Individual / \$5 Group
MENTAL HEALTH Inpatient Outpatient	See EOC	See EOC

\*The Blue Shield NetValue plan benefits mirror the Blue Shield HMO plan; however, NetValue offers Blue Shield's "high performance network", only available in certain counties.

\*\*For Blue Shield PrimeMail information, visit [www.blueshieldca.com](http://www.blueshieldca.com).

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## MEDICAL PLAN FEATURES


	PERS CHOICE & SELECT* LOW OPTION PPO		PERS CARE* HIGH OPTION PPO	
	IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK	OUT-OF-NETWORK
PLAN BENEFITS				
OFFICE VISITS	\$20 Copay	40%	\$20 Copay	40%
<b>PRESCRIPTION DRUG</b> Retail Pharmacy  Retail Pharmacy - Maintenance Drugs after 2 <sup>nd</sup> Fill	(not to exceed 30-day supply) \$5 Generic \$15 Brand \$45 Non-Formulary (\$40 if waiver approved)  (not to exceed 30-day supply) \$10 Generic \$25 Brand \$75 Non-Formulary (\$70 if waiver approved)		(not to exceed 34-day supply) \$5 Generic \$15 Brand \$45 Non-Formulary (\$40 if waiver approved)  (not to exceed 34-day supply) \$10 Generic \$25 Brand \$75 Non-Formulary (\$70 if waiver approved)	
<b>PRESCRIPTION DRUG - MAIL ORDER</b> (90-Day Supply)	\$10 Generic \$25 Brand \$75 Non-Formulary (\$70 if waiver approved)		\$10 Generic \$25 Brand \$75 Non-Formulary (\$70 if waiver approved)	
<b>EMERGENCY SERVICES</b>	20% (\$50 deductible waived if admitted as an inpatient or for observation as an outpatient)		10% (\$50 deductible waived if admitted as an inpatient or for observation as an outpatient)	
<b>DEDUCTIBLE</b> Individual Family	\$500 \$1,000		\$500 \$1,000	
<b>MAXIMUM OUT-OF-POCKET</b> Individual Family	\$3,000 \$6,000	N/A	\$2,000 \$4,000	N/A
<b>LIFETIME MAXIMUM</b>	Unlimited		Unlimited	
<b>DURABLE MEDICAL EQUIPMENT</b>	20%                      40% \$6,000 annual max		10%                      40% Pre-certification required for equipment priced at \$1,000 or more	
<b>CHIROPRACTIC/ACUPUNCTURE</b>	20%                      40% (15 visits per year)		10%                      40% (20 visits per year)	
<b>INPATIENT HOSPITAL SERVICES</b>	20% <sup>1</sup>	40%	10%                      40% (\$250 deductible)	
<b>OUTPATIENT LAB &amp; X-RAY</b>	20%	40%	10%	40%
<b>SUBSTANCE ABUSE PROGRAM</b> Inpatient Outpatient	20%	40%	10%	40%
<b>MENTAL HEALTH</b> Inpatient Outpatient	See EOC		See EOC	

1. Inpatient Hospital Services under PERS Select Plan can be 20-30% (in-network) depending on the hospital.

\*PERS Select utilizes the Anthem Blue Cross Select PPO Network, which is a subset of the Anthem Blue Cross Prudent Buyer PPO Network. Approximately 50% of the Anthem Prudent Buyer PPO Network of physicians participate in the Select PPO Network. By obtaining physician services through the Select PPO Network, you will receive the highest level of reimbursement. PERS Choice and PERS Care utilize the Anthem Blue Cross Prudent Buyer PPO Network, which is a more comprehensive network. By obtaining physician services through Anthem Prudent Buyer PPO Network, you will receive the highest level of reimbursement.

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## MEDICAL PLAN FEATURES

	<b>PORAC</b> <b>ANTHEM BLUE CROSS PPO</b>	
	<b>PPO</b> <b>IN-NETWORK</b>	<b>Non-PPO</b> <b>OUT-OF-NETWORK</b>
<b>PLAN BENEFITS</b>		
<b>OFFICE VISITS</b>	\$20 Copay (deductible does not apply)	10% (varies)
<b>PRESCRIPTION DRUG</b> (30-day supply)	\$10 Generic \$25 Brand \$45 Non-Formulary / Compound	\$10 Generic \$25 Brand \$45 Non-Formulary (Compound Not Covered)
<b>PRESCRIPTION DRUG - MAIL ORDER</b> (90-day supply)	\$20 Generic \$40 Brand \$75 Non-Formulary	N/A
<b>EMERGENCY SERVICES</b>	10%	10%
<b>DEDUCTIBLE</b> Individual Family	\$300 \$900	\$600 \$1,800
<b>MAXIMUM OUT-OF-POCKET</b> Individual Family (combined PPO and Non-PPO)	\$3,000 \$6,000	\$3,000 \$6,000
<b>LIFETIME MAXIMUM</b>	Unlimited	
<b>DURABLE MEDICAL EQUIPMENT</b>	20%	20% (varies)
<b>CHIROPRACTIC</b>	20 Visits \$700 Maximum Benefit Maximum combined with Physical and Occupational Therapy	
<b>ACUPUNCTURE</b>	\$20 (10% for all other services)	10% (varies)
<b>HOSPITAL SERVICES</b>	10%	10% (varies)
<b>OUTPATIENT LAB &amp; X-RAY</b>	10%	10% (varies)
<b>SUBSTANCE ABUSE PROGRAM</b> Inpatient Outpatient	10%	10% (varies)
<b>MENTAL HEALTH</b> Inpatient Outpatient	See EOC	See EOC

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## DENTAL PLAN FEATURES

	DELTA DENTAL DENTAL PPO			DELTA DENTAL DENTAL HMO
	IN-NETWORK	OUT-OF-NETWORK		IN-NETWORK ONLY
	PPO DENTISTS	NON-PPO DELTA DENTISTS	NON-DELTA DENTISTS	
PLAN BENEFITS				
<b>ANNUAL MAXIMUM</b>	\$2,000 max. benefit			Unlimited
<b>DEDUCTIBLE</b> Individual Family	\$25 per person / \$75 per family			None
<b>PREVENTIVE</b> Exams X-Rays Cleanings Fluoride Treatment Space Maintainers	85% of PPO dentist's allowed fee (no deductible applies for these services)	85% of Delta dentist's allowed fee		No Charge
<b>BASIC SERVICES</b> Basic Restorative Endodontics Periodontics Sealants Simple Extractions	85% of PPO dentist's allowed fee	85% of Delta dentist's allowed fee		No Charge
<b>MAJOR SERVICES</b> Inlays, Onlays, Crowns	85% of PPO dentist's allowed fee	85% of Delta dentist's allowed fee		No Charge
Prosthodontics	60% of PPO dentist's allowed fee	60% of Delta dentist's allowed fee		No Charge
Implants	60% of PPO dentist's allowed fee	60% of Delta dentist's allowed fee		Not Applicable
<b>ORTHODONTIA</b>	60% of PPO dentist's allowed fee (subject to \$3000 lifetime max per person)	60% of Delta dentist's allowed fee (subject to \$3000 lifetime max per person)		\$500 copay + startup for normal 24 month treatment

\*Members will be responsible for the difference if non-Delta dentists charge more than Delta's allowed fees.

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## VISION PLAN FEATURES

	VISION SERVICE PLAN (VSP) VISION	
	IN-NETWORK	OUT-OF-NETWORK
PLAN BENEFITS		
<b>COPAY</b>	\$15	
<b>FREQUENCY</b> Examination Frame Lenses Contact Lenses (in lieu of lenses)	Every 12 months Every 12 months Every 12 months Every 12 months	
<b>EXAM</b> ( <i>Dilation when necessary</i> )	Covered in full*	\$45 Allowance
<b>STANDARD LENSES</b> Single Vision Bifocal Trifocal	Covered in full*	\$45 Allowance \$65 Allowance \$85 Allowance
<b>FRAMES</b>	\$120 Allowance	\$47 Allowance
<b>LASER VISION CORRECTION (US LASER NETWORK)</b>	Discounts at participating facilities	N/A
<b>CONTACT LENSES:</b> Elective Medically Necessary	\$120 Allowance Covered in full	\$105 Allowance \$210 Allowance

\*Vision exam is covered once every 12 months at the \$15 copay. If a member requires lenses and has already paid the \$15 exam copay, then an additional \$15 is not required.

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## BASIC LONG-TERM DISABILITY (LTD)

The City contributes towards a long-term disability plan provided by the Huntington Beach Firefighters Association.

## ***BASIC LIFE AND AD&D***

Life insurance provides protection for your beneficiary in the event of your death. All full-time employees automatically receive ***Basic Life and Accidental Death & Dismemberment (AD&D) Insurance*** coverage. The benefit amount is \$50,000.

## ***SUPPLEMENTAL LIFE AND AD&D***

The Voluntary (employee-paid) Life coverage through Standard Insurance Company allows employees the option to purchase from \$10,000 to \$500,000 in \$10,000 increments. This coverage is also available to spouses and may be purchased even if the employee does not enroll (however, the Spouse amount may not exceed 100% of the employees Basic and Additional Life combined). There is also coverage available for dependent children; however, the employee must also be enrolled for supplemental coverage. If it is your open enrollment period and you did not enroll when you were first eligible, or if you are currently enrolled in supplemental life insurance and you wish to increase your current coverage, you will need to complete and submit an *Evidence of Insurability* form and be approved by underwriting before the policy goes into effect. The effective date of any pending voluntary Life/AD&D elections will be the date your coverage is approved; however, your premium will not begin until the first of the month following the date your coverage is approved.

The Voluntary (employee paid) AD&D coverage allows members the option to purchase \$25,000 or \$50,000 or \$100,000. There is also coverage available for spouses and dependent children, as a percentage of the employee's principal amount.

Please see the summary sheet for more information that is available online on SurfNet or through Human Resources.

## ***FLEXIBLE SPENDING ACCOUNT (FSA)***

The Flexible Spending Account (FSA) lets you pay some of your health care and dependent care expenses and reduce your taxable income at the same time. You can set up one FSA for health care expenses and another to pay for the cost of caring for your dependents while you are at work. The FSA allows you to use pre-tax dollars to pay for eligible expenses that are not reimbursed by another medical, dental and/or vision plan or tax credit. Such expenses include medical and dental deductibles, coinsurance, copayments, prescription glasses, contact lenses, LASIK eye surgery, and child/elder care expenses. **Effective January 1, 2011, over-the-counter (OTC) drugs will no longer be an eligible Health Care FSA expense unless they are prescribed by a doctor or the drug is insulin. This change is part of the recent health care reform law.**

When you set up an FSA, you place money in your account through automatic, pre-tax payroll deductions. Then, as you incur eligible health care or dependent care expenses, you are reimbursed tax-free from your account. You pay no federal income taxes, no Social Security taxes, and no state income taxes on the amount of pre-tax dollars you contribute to an FSA or on the reimbursements you receive.

## ***EMPLOYEE ASSISTANCE PROGRAM (EAP)***

The EAP program (employer-paid) is a service designed to help you manage life's challenges. Everyone needs a helping hand once in a while, and your EAP can provide it. The EAP can refer you to professional counselors and services that can help you resolve emotional, health, family and work issues. The service is available 24 hours a day, 7 days a week. This service provides 5 counseling sessions per member per incident.



## SUMMARY OF MATERIAL MODIFICATIONS

Due to the recent Health Care Reform, the following changes have been made to the health plans effective January 1, 2011:

### Coverage of Adult Children Up to Age 26

The Plans will offer an opportunity to enroll adult children for coverage under the Plans, subject to the following limitations:

- Coverage will be offered for children up to age 26.
- Children must be enrolled according to the terms of the Plans.
- Coverage of enrolled children will cease the first of the month following the month the dependent is age 26 unless applicable law requires us to offer coverage for a longer period of time.

### Limits on Preexisting Condition Exclusions

The Plans' provisions relating to preexisting condition exclusions no longer apply for enrollees under age 19.

### No Lifetime Limits on the Dollar Amount of Essential Health Benefits

No lifetime limit on the dollar amount of essential health benefits will be imposed under the Plans. Non-essential health benefits may be subject to a lifetime limit on the dollar amount of such benefits. The Plan Administrator will determine whether or not a particular benefit is essential using good faith efforts to comply with a reasonable interpretation of the term "essential health benefits" as that term is described in the Patient Protection and Affordable Care Act.

## **IMPORTANT NOTICE OF OPPORTUNITY TO ENROLL CHILDREN WHO WERE PREVIOUSLY INELIGIBLE BY REASON OF A DEPENDENT ELIGIBILITY THRESHOLD (APPLIES TO MEDICAL PLANS ONLY)**

This is to notify you that effective January 1, 2011 due to a change in applicable law, your children generally can be covered under the Plan until they attain age 26, regardless of their student or marital status and regardless of whether your home is their principal place of abode or whether you support them. Thus, children whose coverage under the Plan ended, who were denied coverage, or who were not eligible for coverage, because the availability of dependent coverage of children under the Plan ended before attainment of age 26 may be eligible for coverage under the Plan beginning January 1, 2011.

Coverage is not available to children who have attained age 26 or who will attain age 26 on or before January 1, 2011. In order for an adult child to be covered under the Plan, you must also be enrolled for coverage.

To request coverage for a child who has not attained age 26 as of January 1, 2011, or if you have any questions, please contact Human Resources at (714) 375-8456.



## REQUIRED FEDERAL NOTICES

### THE CHILDREN'S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT (CHIPRA) OF 2009

If you are eligible for health coverage from your employer, but are unable to afford the premiums, some States have premium assistance programs that can help pay for coverage. These States use funds from their Medicaid or CHIP programs to help people who are eligible for employer-sponsored health coverage, but need assistance in paying their health premiums.

If you or your dependents are already enrolled in Medicaid or CHIP, you can contact your State Medicaid or CHIP office to find out if premium assistance is available. If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, you can contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **[www.insurekidsnow.gov](http://www.insurekidsnow.gov)** to find out how to apply. If you qualify, you can ask the State if it has a program that might help you pay the premiums for an employer-sponsored plan.

Once it is determined that you or your dependents are eligible for premium assistance under Medicaid or CHIP, your employer's health plan is required to permit you and your dependents to enroll in the plan - as long as you and your dependents are eligible, but not already enrolled in the employer's plan. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance.**

If you live in California, you may be eligible for assistance paying your employer health plan premiums. This information is current as of April 16, 2010. You should contact your State for further information on eligibility-

#### CALIFORNIA—MEDICAID

Website: [http://www.dhcs.ca.gov/services/Pages/TPLRD\\_CAU\\_cont.aspx](http://www.dhcs.ca.gov/services/Pages/TPLRD_CAU_cont.aspx)

Phone: 866-298-8443

If you live outside of California, please contact either 877-KIDS-NOW or visit [www.insurekidsnow.gov](http://www.insurekidsnow.gov) to find your State's information.

### THE WOMEN'S HEALTH AND CANCER RIGHTS ACT

The Women's Health and Cancer Rights Act (WHCRA) requires employer groups to notify participants and beneficiaries of the group health plan, of their rights to mastectomy benefits under the plan. Participants and beneficiaries have rights to coverage to be provided in a manner determined in consultation with the attending Physician for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits are subject to the same deductible and co-payments applicable to other medical and surgical benefits provided under this plan. You can contact your health plan's Member Services for more information.

### **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)**

Your medical benefit plan may impose a preexisting condition exclusion upon enrollees age 19 and older. That means that if you are age 19 or older and have a medical condition before coming to our Plan, you might have to wait a certain period of time before the Plan will provide coverage for that condition. This exclusion applies only to conditions for which medical advice, diagnosis, care, or treatment was recommended or received within the 6 month period. Generally, this 6 month period ends the day before your coverage becomes effective. However, if you were in a waiting period for coverage, the 6 month period ends on the day before the waiting period begins. The preexisting condition exclusion does not apply to pregnancy.

This exclusion may last up to 12 months from your first day of coverage or, if you were in a waiting period, from the first day of your waiting period. However, you can reduce the length of this exclusion period by the number of days of your prior "creditable coverage." Most prior health coverage is creditable coverage and can be used to reduce the preexisting condition exclusion if you have not experienced a break in coverage of at least 63 days.

To reduce the exclusion period by your creditable coverage, you should provide the new carrier with a copy of any certificates of creditable coverage (HIPAA Certificates) you have. If you do not have a Certificate, but you do have prior health coverage, you can obtain one from your prior plan or issuer.

#### **Notice of Availability of HIPAA Privacy Notice**

The Federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA") requires that we periodically remind you of your right to receive a copy of the HIPAA Privacy Notice. You can request a copy of the Privacy Notice by contacting Human Resources.

### Important Notice from City of Huntington Beach About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with City of Huntington Beach and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered and at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. City of Huntington Beach has determined that the prescription drug coverage offered by the plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

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#### **When Can You Join A Medicare Drug Plan?**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from November 15<sup>th</sup> through December 31<sup>st</sup>. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

#### **What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?**

If you decide to join a Medicare drug plan and drop your current City of Huntington Beach prescription drug coverage, be aware that you and your dependents will not be able to get this coverage back.

*Please contact us for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.*

#### **When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?**

You should also know that if you drop or lose your current coverage with City of Huntington Beach and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later. If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join.

**(Continued on next page)**

## MEDICARE PART D

### For More Information About Your Options Under Medicare Prescription Drug Coverage...

Contact the office listed below for further information. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through City of Huntington Beach changes. You also may request a copy of this notice at any time.

### For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

<b>Date:</b>	January 1, 2011
<b>Name of Entity:</b>	City of Huntington Beach
<b>Contact:</b>	Human Resources
<b>Address:</b>	2000 Main Street, Huntington Beach, CA 92648
<b>Phone Number:</b>	(714) 375-8456

## HELPFUL TIPS TO SAVE YOU TIME AND MONEY

### *Where can I get Additional Information on the CalPERS Medical Options?*

Visit the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov). There is a special section on Open Enrollment with links to useful information and publications.

### *Prevention is the Best Medicine*

- All employees and family members should be receiving the preventive services recommended for their age and gender.
- Everyone with chronic conditions (hypertension, asthma, diabetes, etc.) needs to follow all recommended care prescribed by your physician.

### *My Dental Bills are Painful!*

Dental bills can add up very quickly. If you are having dental work that will cost you more than \$200 ask the dentist to get pre-authorization prior to the service. The insurance company will notify you if the procedure will be covered, how much *they* will pay, and how much *you* will be responsible to pay.

### *I Need HELP with My Insurance*

Contact the customer service group for the appropriate carrier in the "Employee Benefits Contact Information" Section or visit the City's internet site at [www.surfcity-hb.org/employee\\_benefits](http://www.surfcity-hb.org/employee_benefits).

## EMPLOYEE BENEFITS CONTACT INFORMATION

<p><b><u>Human Resources – Employee Benefits</u></b></p> <ul style="list-style-type: none"> <li>• Intranet: <a href="http://surfnet/Human_Resources/">http://surfnet/Human_Resources/</a></li> <li>• Phone: (714) 375-8456, (714) 536-5213 or (714) 536-5917</li> <li>• Fax: (714) 374-1743</li> <li>• Email: <a href="mailto:bpratt@surfcity-hb.org">bpratt@surfcity-hb.org</a>  <a href="mailto:jaymie.liu@surfcity-hb.org">jaymie.liu@surfcity-hb.org</a>  <a href="mailto:bcharles@surfcity-hb.org">bcharles@surfcity-hb.org</a></li> <li>• Internet: <a href="http://www.surfcity-hb.org/employee_benefits">www.surfcity-hb.org/employee_benefits</a></li> </ul>	<p><b><u>CalPERS Retirement</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a></li> <li>• (Group #0097) (888) 225-7377 or (888) CAL-PERS</li> </ul> <p><b><u>PARS Retirement (Part-Time Employees)</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.parsinfo.org">www.parsinfo.org</a> (800) 540-6369</li> </ul>
<p><b><u>CalPERS Medical (POA, PMA, MSOA, FMA, HBFA)</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a> (888) 225-7377 or (888) CAL-PERS</li> <li>• CalPERS Blue Shield HMO (Group #PH0001) (800) 334-5847</li> <li>• CalPERS Blue Shield Net Value (Group #PH0010) (800) 334-5847</li> <li>• CalPERS Kaiser HMO (Group #105705-00) (800) 464-4000</li> <li>• CalPERS Blue Cross PORAC (Group #13079) (800) 288-6928</li> <li>• CalPERS Blue Cross - PERS Choice (Group #CB050A) (877) 737-7776</li> <li>• CalPERS Blue Cross - PERS Care (Group #KB050A) (877) 737-7776</li> <li>• CalPERS Blue Cross - PERS Select (Group #SB050A) (877) 737-7776</li> </ul>	<p><b><u>Standard Life and Disability</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.standard.com">www.standard.com</a></li> <li>• Life/AD&amp;D (Group #148463)</li> <li>• Voluntary Life/AD&amp;D (Group #148463) (800) 628-8600</li> <li>• Disability (Group # 148463) (800) 368-1135</li> </ul> <p><b><u>TRI-AD Flexible Spending (FSA)</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.tri-ad.com">www.tri-ad.com</a></li> <li>• <a href="http://www.mbicard.com">www.mbicard.com</a> (Flexcard) (800) 733-7555</li> </ul> <p><b><u>MHN-(Employee Assistance Program)</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.members.mhn.com">www.members.mhn.com</a></li> <li>• access code: huntingtonbch (800) 242-6220</li> </ul>
<p><b><u>Dental</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.deltadentalins.com">www.deltadentalins.com</a></li> <li>• Delta Dental/DPO (Group #4729) (888) 335-8227</li> <li>• Delta Care USA (Group #1575) (800) 422-4234</li> </ul> <p><b><u>Vision</u></b></p> <ul style="list-style-type: none"> <li>• <a href="http://www.vsp.com">www.vsp.com</a></li> <li>• (Group # 00105162) (800) 877-7195</li> </ul>	

Due to privacy issues and concerns, we strongly recommend contacting your insurance provider directly with regard to claims, replacement/lost cards, or coverage questions.



Employee Benefits Brochure designed and developed by



in conjunction with the City of Huntington Beach, September 2010